

## Message Text

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PAGE 01 VIENNA 02087 031717Z  
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 INR-10 NSAE-00 EB-08 TRSE-00  
SP-02 USIA-06 AID-05 NSC-05 SS-15 STR-07 OMB-01  
CEA-01 /073 W  
-----105745 041058Z /13  
R 031548Z MAR 78  
FM AMEMBASSY VIENNA  
TO AMEMBASSY PRAGUE  
INFO SECSTATE WASHDC 5438

C O N F I D E N T I A L VIENNA 02087

E.O. 11652: GDS  
TAGS: EGEN, CZ, AU  
SUBJECT: VISIT TO VIENNA OF FINANCE MINISTER LER

REF: PRAGUE 0466

1. DURING AN EXTENSIVE DISCUSSION OF AUSTRIAN-CZECHOSLO-  
VAK RELATIONS ON MARCH 2, CZECHOSLOVAK COUNSELOR OF  
EMBASSY HERE TOLD EMBOFF THAT ONE OF THE MAIN GOALS OF  
LER'S VISIT TO VIENNA IS TO WORK OUT ARRANGEMENTS FOR  
COMPLETING A \$100 MILLION AUSTRIAN LOAN TO CZECHOSLO-  
VAKIA CARRYING AN INTEREST RATE OF ABOUT 7-1/2 TO 8 PER-  
CENT. ACCORDING TO SOURCE, THE LOAN IS WELCOME AND THE  
INTEREST RATE IS SATISFACTORY, BUT CZECHOSLOVAKIA HAS  
BECOME INCREASINGLY DISSATISFIED WITH ITS ROLE AS A  
MAJOR SUPPLIER OF RAW MATERIALS FOR AUSTRIAN INDUSTRY,  
WITH TOO LIMITED SALES OF FINISHED GOODS IN AUSTRIA. LER  
WILL BE SEEKING SOME FORM OF COMPENSATION AGREEMENT BY  
WHICH THE CZECHS CAN REPAY MUCH OF THE LOAN WITH CZECH  
INDUSTRIAL PRODUCTS. HE WILL ALSO BE DISCUSSING AUSTRIAN  
PROPOSALS FOR CONSTRUCTION OF A LARGE CHEMICAL PLANT IN  
CZECHOSLOVAKIA. THE COMPETITION IS STILL OPEN AND  
SEVERAL WEST EUROPEAN COUNTRIES ARE IN THE RUNNING FOR  
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PAGE 02 VIENNA 02087 031717Z

THE PROJECT.

2. SOURCE WAS VERY SCEPTICAL ABOUT ANY MAJOR CHANGES IN  
ECONOMIC STRUCTURE OR LEADERSHIP IN CZECHOSLOVAKIA.  
(THIS HAS BEEN A MATTER FOR SPECULATION IN AUSTRIAN  
PRESS.) HE SAID MARCH PLENUM WOULD BEAR HIM OUT. HE  
ARGUED THAT THE CZECH ECONOMY, MORE CONSUMER ORIENTED

THAN EVER, IS NOT A MAJOR SOURCE OF DISSATISFACTION WITH THE PRESENT REGIME. LACK OF FREEDOM IS THE MAIN COMPLAINT OF THE POPULATION, HE SAID.

3. ON THE LEADERSHIP, THE COUNSELOR SAID HUSAK WOULD BE CONTINUING IN POWER AT LEAST AS LONG AS BREZHNEV, BUT THAT HE PERSONALLY WOULD NOT BE UNHAPPY TO SEE HUSAK GO IN FAVOR OF A SOMEWHAT LESS RIGID MAN. WHATEVER ELSE, BILAK HAS NO CHANCE FOR HIGHER POSITION BECAUSE HE IS A UKRAINIAN.

4. COMMENT:

WE ARE OBVIOUSLY IN NO POSITION TO EVALUATE THE ABOVE AS IT RELATES TO THE CZECHOSLOVAK SCENE AND WOULD WELCOME EMBASSY PRAGUE COMMENT. WE WILL TRY TO GET AUSTRIAN COMMENT ON LER VISIT DURING NEXT WEEK OR SO.  
WOLF

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FINANCE, MINISTERIAL VISITS  
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**Draft Date:** 03 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1978VIENNA02087  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
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**Subject:** VISIT TO VIENNA OF FINANCE MINISTER LER  
**TAGS:** EGEN, CZ, AU, (LER, LEOPOLD)  
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**Review Markings:**  
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